

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6462

BILL NUMBER: SB 97

NOTE PREPARED: Dec 1, 2003

BILL AMENDED:

SUBJECT: Trustees of Pension Funds.

FIRST AUTHOR: Sen. Lubbers

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill adds the Director of the Budget Agency or the Director's designee to the Boards of Trustees of the Public Employees' Retirement Fund (PERF) and the Teachers' Retirement Fund (TRF). It requires the State Board of Accounts to annually audit PERF and TRF operating costs.

Effective Date: July 1, 2004.

Explanation of State Expenditures: *Board Membership:* The PERF Board and the TRF Board meet monthly, for the most part, although the PERF Board has not met during the month of August over the last few years. For the PERF Board, the new members will receive reimbursement for necessary expenses actually incurred through service on the Board. For the TRF Board, the new members are to receive the same mileage and travel allowances paid to members of the General Assembly serving on interim study committees. There may be a slight increase in expenditures for both Boards. The funds affected are the nonbudget administrative funds for both Boards.

Board of Accounts Audit: The Board of Accounts audits both PERF and TRF currently. This proposal specifies that they are to audit the operating costs. There should be no additional costs involved.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Public Employees' Retirement Fund; Teachers' Retirement Fund; Board of

Accounts.

Local Agencies Affected:

Information Sources: William Christopher, Director of the Teachers' Retirement Fund, 232-3869; Mike Hose, Supervisor, State Audits, State Board of Accounts, 232-2525.

Fiscal Analyst: James Sperlik, 317-232-9866.